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*Proposed Counsel to the Debtor and Debtor-in-Possession*  
Rienzi & Sons, Inc.

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

-----X  
*In re:* Chapter 11  
RIENZI & SONS, INC. Case No. 1-15-40926

Debtor and  
Debtor-in-Possession.

-----X

**AFFIDAVIT OF MICHAEL RIENZI PURSUANT TO  
LOCAL BANKRUPTCY RULE 1007-4**

STATE OF NEW YORK     )  
                                  )     ss.:  
COUNTY OF QUEENS     )

I, Michael Rienzi, being duly sworn, deposes and says:

1. I am the founder and President of Rienzi & Sons, Inc. ("Debtor"), a company organized under the laws of the State of New York. As such, I am familiar with Debtor's day-to-day operations, business, financial affairs and books and records.

2. I submit this affidavit to provide an overview of the Debtor and its business. Except as otherwise indicated herein, all facts set forth in this affidavit are based upon my personal knowledge of the Debtor's operations and finances, information learned from my

review of relevant documents, information supplied to me by the Debtor's advisors, or my opinion based on my experience, knowledge, and information concerning the Debtor's operations and financial condition. I am authorized to submit this affidavit on behalf of the Debtor, and, if called upon to testify, I could and would testify competently to the facts set forth herein.

3. This affidavit is divided into three sections. **Section I** provides a brief background on the Debtor, the Debtor's business lines, including the various food markets in which the Debtor competes, and the Debtor's organizational and capital structure. **Section II** describes the events leading to the filing of this chapter 11 case, and explains the Debtor's restructuring efforts before and objectives during this case. **Section III** discloses various financial information as required by the Local Rules.

***Section I – Background.***

4. *My Beginnings.* I was born in Montemilone, Italy in November 1945, shortly after the end of World War II, and immigrated with my family to the United States in 1960. When I arrived, I spoke no English and understood very little of life in America.

5. In 1968, with \$3 in cash in my pocket, I started a small business supplying pizza restaurants with cheese and tomatoes from the United States. In 1971, I began importing tomatoes directly from Italy, as I believed them to be superior to domestically grown tomatoes. Ultimately, I founded the Debtor in 1972. What began as a labor of love run out of my basement has, with much vision and hard work, blossomed into a premium distributor of various Italian foods such as sauces, vinegar, olive oil, cheese, and other products to supermarket chains, mainly

in the Northeast and Mid-Atlantic. After nearly forty-six years in business, the Debtor is still family-run.

6. *The Products and Process.* My goal was always to bring the flavors I experienced as a child in Italy to the United States. In order to do this, almost all of Debtor's products, such as pasta, sauce, olive oil and vinegar, are grown, prepared and packaged in Italy. In line with this goal, the Debtor owns 100% of the equity of an affiliated company in Italy, Rienzi Italia SRL (the "SRL").<sup>1</sup>

7. The SRL owns and operates the farms on which many of the products are grown, such as grapes for vinegars, tomatoes (which are canned and made into sauces) and olives for olive oil. The farms are what distinguishes Rienzi products from other distributors—few competitors can say that they grow their own products in Italy. The products are then sold by the SRL to a processing plant owned by a non-debtor entity. The goods are then processed and the finished products are sold and shipped to the Debtor. By controlling production, leveraging decades old relationships and packaging the food close to the source, the Debtor's products maintain the fresh, just harvested flavor that forms the basis of Italian cooking.

8. *Debtor's Operations.* Debtor manages its operations out of a 25,000 square foot warehouse in Astoria, Queens. The warehouse is owned by me personally and is leased to the Debtor pursuant to a written lease. As of the Petition Date, the Debtor employs 20 employees. For the fiscal year that ended December 31, 2014 the Debtor's revenues from continuing operations were approximately \$11 million.

9. The warehouse is the "nerve center" of the Debtor's businesses. It acts as corporate headquarters, a storage facility, a distribution center for all Rienzi products, and it is

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<sup>1</sup> The Debtor owns 100% of the equity interests in the SRL.

also a production facility for the Debtor's cheese products and bread crumbs. From this warehouse, the Debtor handles virtually all of its own distribution.

10. *Capital Structure.* As of the Petition Date, the Debtor has approximately \$15 million in assets, and \$23 million in liabilities, of which about \$7.3 million is unsecured trade debt and about \$12.6 million are litigation claims against which the Debtor believes it has various offset rights or counterclaims. The Debtor has a line of credit with Alma Bank in the amount of \$1,000,000 that is secured by a blanket lien on the Debtor's personal property, plus a term loan in the amount of \$3.1 million that is unsecured vis a vis the Debtor, but secured by a mortgage on the Warehouse.<sup>2</sup>

## ***Section II – Events Leading to Bankruptcy.***

11. *Litigation.* A variety of external economic factors have led to a gradual decline in the Debtor's business volume and liquidity from the second half of 2007 onwards. Chief among those factors is the a series of ongoing litigations with suppliers, the most significant of which was against its longtime partner and pasta supplier for approximately 31 years, N. Puglisi & F. Industria Paste Alimentari, SPA ("Puglisi Co"). The litigation with Puglisi Co. spanned about 7 years, and ultimately led to a judgment of over \$1.6 million being awarded against the Debtor on February 17, 2015. The Debtor is currently appealing this judgment and is investigating possible counterclaims and offset rights as a result of actions by Puglisi Co. unrelated to the lawsuit.

12. Ultimately, legal expenses caused significant strain on the Debtor's cash flow. In addition, due to litigation with Puglisi Co., the Debtor was unable to fulfill orders placed by customers. The Debtor used to import and distribute about 400-500 cases of pasta per year. Without Puglisi Co. as its pasta supplier, the Debtor has been importing and distributing less than

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<sup>2</sup> I believe that the Warehouse is worth at least \$8-9 million, and so I have significant equity in it.

200 cases of pasta per year. The Debtor was unable to find a replacement pasta supplier to enable it to fulfill its customers' needs, which was another reason for the steady decline in revenue in recent years. I believe this caused the Debtor to lose millions in revenue over the course of several years.

13. The Debtor is currently involved in heavy litigation with Banco Popolare Societa Cooperative ("Banco Popolare"). After several years of litigation, Banco Popolare obtained a judgment against the Debtor in Italy, with respect to a failed business venture that is unrelated to the Debtor's business operations. This judgment is being appealed by the Debtor. Banco Popolare is currently trying to domesticate this judgment in New York (Supreme Court, Queens NY, Index No. 10493/14) and is asserting about a \$11 million claim. The Debtor is investigating possible counterclaims and offset rights against Banco Popolare and its attorneys Hogan Lovells as well.

14. *Economic Malaise and Increased Competition.* The Debtor's financial problems were aggravated by decline in the housing market and the resulting tightening of credit markets which have led to a decline in consumer spending. This decrease in spending has had a significant impact on the grocery business, resulting in bankruptcies, significant store closings, and consolidations among the traditional grocery stores.

15. As the number of stores has decreased as consolidations occurred, the number of customers to which the Debtor can sell has also decreased. As such, many of these formerly traditional grocery store chains, that are now conglomerates, can dictate prices, chargebacks and allowances – something that they could not do prior to the downturn as easily.

16. In addition, competition has significantly increased in Debtor's segment of the marketplace. Today, many celebrities or famous restaurants are licensing their names to large

consumer processed goods (CPG) conglomerates and sell products which compete with the Debtor's and which leads to increasingly crowded shelf space.

17. These issues have caused the Debtor's revenues. The Debtor generated about \$18 million in sales in 2012, \$13.5 million in 2013, and about \$11 million in 2014.

18. *Possible Exit.* The Debtor intends to use this bankruptcy proceeding and the benefits of the automatic stay to restructure its debt. It intends, among other things, to seek approval for a debtor-in-possession loan to provide working capital that will be necessary during the first few weeks of this case, and then negotiate the restructuring of the Alma debt using the significant equity that I have in the Warehouse and proceeds of any litigation claims.

***Section III - Additional Information Pursuant to Local Rule 1007-4***

19. The Debtor is not a small business debtor. Local Rule 1007-4(a)(i).

20. The events leading to the Debtor's Chapter 11 filing are set forth above.

21. This case was not initially commenced as a Chapter 7, 12 or 13. Local Rule 1007-4(a)(iii)

22. No committee was organized prior to the order for relief. Local Rule 1007-4(a)(iv).

23. The Debtor's 20 largest unsecured creditors are listed on Exhibit A. Local Rule 1007-4(a)(v).

24. The Debtor's secured creditors are Alma Bank, and the other creditors listed on Exhibit B. Local Rule 1007-4(a)(vi).

25. The Debtor's assets and liabilities are summarized above. Local Rule 1007-4(a)(vii).

26. There are no classes of stock or other securities held by the public. Local Rule 1007-4(a)(viii).

27. The Debtor has no property in the possession of a custodian, public officer, mortgagee, pledgee, assignee of rents, or secured creditor, or agent of such entity, except that the Debtor has an operating account with Alma that has approximately \$19,000 as of the Petition Date. Local Rule 1007-4(a)(ix). In addition, because the Debtor is an importer, many of its goods are in transit coming in from Italy.

28. The Debtor operates from the Warehouse referenced above, at 18-81 Steinway Street, Queens, NY. Local Rule 1007-4(a)(x). The Debtor's substantial assets and books and records are located at the Warehouse. The Debtor leases two other warehouses nearby: 18-58 Steinway Street, and 18-76 Steinway Street. Both of these smaller warehouses are 5,000 square feet plus about 15,000 square feet of parking space.

29. There are no assets outside the territorial limits of the United States, except for goods in transit from its suppliers in Italy, as well as the assets owned by the SRL, which is 100% owned by the Debtor. Local Rule 1007-4(a)(xi).

30. There are no actions or proceedings where a judgment against the Debtors or a seizure of property may be imminent, except as follows:

<u>Action</u>	<u>Status</u>
Rienzi & Sons, Inc. v. N. Puglisi & F. Industria Paste Alimentari SPA	Judgment entered in favor of Puglisi for approximately \$1.68 million on February 17, 2015

The litigation against Banco Popolare is also referenced above, but it is unclear whether there is any imminent seizure of property in that litigation. Local Rule 1007-4(a)(xii).

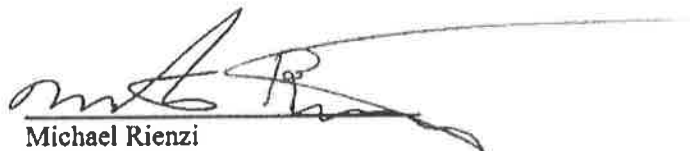
31. I am the President of the Debtor, and I comprise senior management. Local Rule 1007-4(a)(iii).

32. The estimated amount of the payroll to employees (exclusive of officers, directors, stockholders, partners and members) for the 30-day period following the filing of the chapter 11 petition is \$22,000 per week. Local Rule 1007-4(a)(xiv).

33. The estimated amount of payroll to officers and directors for the 30 day period following the commencement of the case is \$3,000 per week. Local Rule 1007-4(a)(v)(A).

34. The amount proposed to be paid to the Debtors' financial advisors during the 30 day period following the commencement of the case is not known. The Debtor intends to file a motion to retain Management Consulting Services, PC as financial advisors, and their fees will be subject to Court approval. Local Rule 1007-4(a)(v)(C).

35. The estimated cash receipts and disbursements, net cash gain or loss, obligations and receivables expected to accrue but remain unpaid, other than professionals fees, for the Debtor for the 30 day period following the bankruptcy case, is attached as Exhibit C. Local Rule 1007-4(a)(vi).



Michael Rienzi

Notary Public  
Sworn to before me this  
6th day of March, 2015



# Exhibit A

B 4 (Official Form 4) (12/07)

# UNITED STATES BANKRUPTCY COURT

## EASTERN DISTRICT OF NEW YORK

In re Rienzi & Sons, Inc.,

Debtor

Case No. 1-15-40926Chapter 11

### LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim [if secured also state value of security]</i>
Banco Popolare Account Number: c/o Wuersch & Gering Attn Franceso Di Pietro, Esq. 100 Wall Street, 10th Floor New York, NY 10005	Fax (212) 509-9559	litigation	This claim is contingent, unliquidated, and disputed.	\$11,000,000.00
Alma Bank Account Number: 28-20 Ditmars Blvd Astoria, NY 11105	Fax 718-721-3601	bank loan	This claim is contingent, unliquidated, and disputed.	\$3,132,715.10
Franzese S.P.A (€) Account Number: 1850 Via Traversa Corso Nuovo N. 33 80036 Palma Campania  Napoli, Italy	Fax 011 39 081 824 6777	trade		\$2,233,757.36

B 4 (Official Form 4) (12/07)

N. Puglisi & F. Account Number: 3280 Industria Paste Alimentari, S.P.A. 98040 Giammoro, Pace Del Mela  Messina , Italy	Mandel Bhandari LLP c/o Evan Mandel, Esq. 80 Pine Street, 33rd Floor Fax: (646) 964-6667 New York, NY 10005	judgement (being appealed)	This claim is contingent, unliquidated, and disputed.	\$1,687,342.56
La Vera Napoli Account Number: 6170 Via Ten. Barone 26/A Cercola  Napoli, Italy 80040	Antonio Varetta Fax 011-39-081-733-1256	trade		\$881,843.79
Colombo Importing US Account Number: 1090 181 Raritan Center Parkway, Suite 202 Edison, NJ 08837	Arthur Pelliccione Fax 905-850-9277			\$808,550.21
Santander Consumer USA Account Number: PO Box 105255 Atlanta, GA 30348	Fax 214-237-3724	boat loan; partially secured	This claim is contingent, unliquidated, and disputed.	\$741,892.15
Franzese S.P.A. (\$) Account Number: 1851 Via Traversa Corso Nuovo 33 80036 Palma Campania  Napoli, Italy		trade		\$389,896.18
Matthew Rienzi Trust Account Number: 70-04 60th Avenue Maspeth, NY 11378		loans		\$336,472.72

B 4 (Official Form 4) (12/07)

I Buonatavola Sini Srl

(\$)

Account Number: Fax 011-39-076-157-  
4400 1197Strada Statale Cassia,  
KM 41

trade

\$207,979.61

Nepi, Viterbo, Italy  
01036Mediterranean  
ShippingAccount Number: Fax 212-764-1352  
2950420 Fifth Avenue  
26th Floor  
New York, New York  
10018-2702

trade

\$187,410.78

Monticchio  
Gaudianello  
Account Number:  
8600  
S.S. No. 401 - KM  
9826  
Melfi, Potenza, Italy  
80525Fax 011-39-0972-  
23260

trade

This claim is  
contingent,  
unliquidated,  
and  
disputed.

\$176,298.45

Sociedad Agricola  
Virus  
Account Number:  
Carretera  
Panamericana Norte,  
Km. 521  
La Libertad, Peru

trade

\$168,000.00

Aunt Kitty's Foods  
Account Number:  
PO Box 334  
Hanover, PA 17331

Fax 856-696-1295

trade

\$156,960.00

Acetificio Marcello  
De Nigris  
Account Number:  
2810  
Via Badagnano, 1  
80021 Afragola,  
Napoli, ItalyFax 011-39-091-852-  
1564

trade

\$123,721.60

B 4 (Official Form 4) (12/07)

Pietro Coricelli Spa Account Number: 0500 Madonna Di Lugo 44,06049 Spoleto, Italy	Fax 011-39-0743- 232862	trade		\$79,212.00
<hr/>				
Italtipici S.R.L. Account Number: 0050 Zona - Industriale Lotto 7-84021  Buccino, Italy	Fax 0828-958842	trade		\$70,104.04
<hr/>				
Tomasello Account Number: 2100 Molino E Pastificio Tomasello Via Nazionale, 4- 90014  Casteldaccia, Italy	Fax 091-954074	trade	This claim is contingent, unliquidated, and disputed.	\$66,167.96
<hr/>				
Rispoli Luigi E.C. S.R.L. Account Number: 9550 Via Mazzini 3 Borgio Carilia Altavilla Silentina, SA	Fax 011-39-0828- 987314	trade		\$65,817.64
<hr/>				
Perano Enrico & Figli Account Number: Via Armando Diaz 68 San Valentino Torio Salerno, SA	Fax 011-39-081- 939344	trade		\$63,595.39
<hr/>				

Date: \_\_\_\_\_

Debtor

**DECLARATION UNDER PENALTY OF PERJURY  
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, Michael Rienzi, the president of Rienzi & Sons, Inc. named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Creditors Holding 20 Largest Unsecured Claims and that it is true and correct to the best of my information and belief.

B 4 (Official Form 4) (12/07)

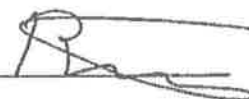
Date:

3 6 2015

1 1



Michael Rienzi, President



## Exhibit B

B 6D (Official Form 6D) (12/07)

In re **Rienzi & Sons, Inc.**

Debtor

Case No. **1-15-40926**

(If known)

**SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS**

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.)	CODEBETOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCOUNT NO. <b>Ally Auto</b> <b>Box 78234</b> <b>Phoenix, AZ 85062</b>		<b>2009 Cadillac Escalade</b>  VALUE \$ <b>\$0.00</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>\$0.00</b>	<b>Unknown</b>
ACCOUNT NO. <b>Alma Bank</b> <b>28-20 Ditmars Blvd.</b> <b>Astoria, NY 11105</b>	<b>X</b>	<b>10/2011 All Assets</b> <b>All Assests</b>  VALUE \$ <b>\$0.00</b>				<b>\$1,000,000.00</b>	<b>\$0.00</b>
ACCOUNT NO. <b>BMW Financial Services</b> <b>300 Chesnut Ridge Road</b> <b>Woodcliff Lake, NJ 07677</b>		<b>2007 BMW 750Li</b>  VALUE \$ <b>\$0.00</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>\$0.00</b>	<b>\$0.00</b>
ACCOUNT NO. <b>Ford Credit</b> <b>Box 220564</b> <b>Pittsburg, PA 15257</b>		<b>2012 bmwFord Focus</b>  VALUE \$ <b>\$0.00</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>1</b> continuation sheets attached			Subtotal ► (Total of this page)  Total ► (Use only on last page)			<b>\$ 1,000,000.00</b>  <b>\$</b>	<b>\$ 0.00</b>  <b>\$</b>

(Report also on Summary of Schedules.)

(If applicable, report also on Statistical Summary of Certain Liabilities and Related Data.)



In re **Rienzi & Sons, Inc.**Case No. **1-15-40926**

Debtor

(if known)

**SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS**

(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.)	CODEBATOR	HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCOUNT NO. <b>Santander Consumer USA</b> PO Box 105255 Atlanta, GA 30348			<b>2006 Loan for Boat</b>  <b>Boat</b>  VALUE \$ <b>\$0.00</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>\$741,892.15</b>	<b>\$0.00</b>
ACCOUNT NO. <b>Signature Financial, LLC</b> 68 South Service Road Melville, NY 11105			<b>2014 Volvo VNL 64T Tractor, VIN # 4v4nc9eh6en157076</b>  <b>2014 Volvo VNL 64T Tractor, VIN # 4v4nc9eh6en157076</b>  VALUE \$ <b>Unknown</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>\$0.00</b>	
ACCOUNT NO. <b>Wells Fargo Bank</b> 300 TRI-STATE INTERNATIONAL STE 400 LINCOLNSHIRE, IL 60069			<b>Crown RM6025-45 Reach Truck SN 1A394159</b> <b>Deka 18-125D-13 SN 1202KB</b> <b>See Attachment 1</b>  VALUE \$ <b>Unknown</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>\$0.00</b>	
ACCOUNT NO.							<b>\$0.00</b>	
			VALUE \$ <b>\$0.00</b>					

Sheet no. **1** of **1** continuation  
sheets attached to Schedule of  
Creditors Holding Secured  
Claims

Subtotal (s) ►  
(Total(s) of this page)

Total(s) ►  
(Use only on last page)

\$ <b>741,892.15</b>	\$ <b>0.00</b>
\$ <b>1,741,892.15</b>	\$ <b>0.00</b>

(Report also on  
Summary of Schedules.)

(If applicable, report also on  
Statistical Summary of Certain  
Liabilities and Related Data.)

## **Attachment**

### **Attachment 1**

#### **Attachment 1**

**Crown 390750-136 Charger SN 181075012052301**

## Exhibit C

03/05/15

**Rienzi & Sons, Inc.**  
**Projected Weekly Cash Flow**  
 For the Period - 3/04/15 to 6/5/15

	W/E 03/06/15	W/E 03/13/15	W/E 03/20/15	W/E 03/27/15	W/E 04/03/15	W/E 04/10/15	W/E 04/17/15	W/E 04/24/15	W/E 05/01/15	W/E 05/08/15	W/E 05/15/15	W/E 05/22/15	W/E 05/29/15	W/E 06/05/15	Total Thru 06/05/15
	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	
<b>Gross Weekly Sales</b>	100,000	150,000	175,000	200,000	200,000	225,000	250,000	275,000	300,000	300,000	300,000	300,000	300,000	325,000	3,400,000
<b>Opening Cash Balance</b>	5,000	0	1,280	32,300	20,118	18,506	36,846	44,342	262,052	180,360	114,546	137,908	114,401	89,895	5,000
<b>Loan Advances from Matthew Rienzi</b>	0	0	0	0	0	0	0	300,000	0	0	0	0	0	0	300,000
<b>Receivables Collected</b>	43,000	110,400	116,820	190,059	253,388	285,041	249,396	243,448	252,349	268,674	276,837	280,919	282,859	283,980	3,137,270
<b>Other</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Funds Available</b>	48,000	110,400	118,100	222,359	273,506	303,548	286,242	587,790	514,401	448,035	391,383	418,826	397,361	373,874	3,442,270
<b>Disbursements:</b>															
<b>Weekly Payroll &amp; Taxes</b>	10,000	40,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	350,000
<b>Domestic &amp; Foreign Purchases (Sch. E)</b>	0	36,000	0	90,000	150,000	168,750	187,500	206,250	225,000	225,000	202,500	202,500	202,500	219,375	2,115,375
<b>Product - L/C payments (Sch. D)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Wire transfers to vendors</b>	0	2,520	0	6,300	10,500	11,813	13,125	14,438	15,750	15,750	14,175	14,175	14,175	15,356	148,076
<b>Broker, duty fees &amp; freight-in costs</b>	0	4,000	4,000	34,236	57,500	42,739	4,000	19,000	19,236	49,739	4,000	19,000	19,236	49,739	326,425
<b>G&amp;A expenses (Sch. A)</b>	0	4,000	4,000	20,384	9,600	4,800	5,000	5,200	26,184	5,400	5,400	5,400	21,184	10,600	127,752
<b>Selling &amp; shipping expense (Sch. B)</b>	0	2,400	2,400	7,125	2,400	13,600	2,400	3,350	6,175	13,600	2,400	3,350	6,175	13,600	78,975
<b>Warehouse expense (Sch. C)</b>	38,000	20,000	0	0	0	0	0	0	0	0	0	0	0	0	58,000
<b>Accounts payable-Pre Petition</b>	0	0	50,000	0	0	0	0	50,000	0	0	0	35,000	0	0	135,000
<b>Debtor's retainer of Post Petition Professionals</b>	0	0	0	4,500	0	0	0	0	4,500	0	0	0	4,500	0	13,500
<b>Line of Credit repayment &amp; interest</b>	0	0	0	12,196	0	0	0	0	12,196	0	0	0	12,196	0	36,588
<b>Boat loan repayment &amp; interest</b>	0	0	0	0	0	0	4,875	0	0	0	0	0	0	0	4,875
<b>U.S. Trustee (Quarterly) Fees</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Bank Charges</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Other-Equipment Purchases</b>	0	0	0	2,500	0	0	0	2,500	0	0	0	0	2,500	0	7,500
<b>Total Disbursements</b>	48,000	109,120	85,800	202,241	255,000	286,702	241,900	325,738	334,041	334,489	253,475	304,425	307,466	333,670	3,402,666
<b>Ending Cash Balance</b>	0	1,280	32,300	20,118	18,506	36,846	44,342	262,052	180,360	114,546	137,908	114,401	89,895	40,204	40,204
<b>Checks Held</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Adjusted Ending Cash Balance</b>	0	1,280	32,300	20,118	18,506	36,846	44,342	262,052	180,360	114,546	137,908	114,401	89,895	40,204	40,204

**Rienzi & Sons, Inc.**  
**Projected Weekly Cash Flow**  
**For the Period - 3/04/15 to 6/5/15**

	W/E 03/06/15	W/E 03/13/15	W/E 03/20/15	W/E 03/27/15	W/E 04/03/15	W/E 04/10/15	W/E 04/17/15	W/E 04/24/15	W/E 05/01/15	W/E 05/08/15	W/E 05/15/15	W/E 05/22/15	W/E 05/29/15	Total Thru 06/05/15
	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	Est.	
<b>Sales:</b>														
- Sales (Factor)	100,000	150,000	175,000	200,000	200,000	225,000	250,000	275,000	300,000	300,000	300,000	300,000	325,000	3,400,000
- Non Factored sales														0
<b>Total Weekly Gross Assigned Sales</b>	<b>100,000</b>	<b>150,000</b>	<b>175,000</b>	<b>200,000</b>	<b>200,000</b>	<b>225,000</b>	<b>250,000</b>	<b>275,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>325,000</b>	<b>3,400,000</b>
<b>Accounts Receivable:</b>														
Opening A/R balance	500,000	552,000	584,100	633,530	633,471	570,083	498,781	486,896	504,698	537,349	563,674	565,919	567,959	500,000
Plus: Sales	100,000	150,000	175,000	200,000	200,000	225,000	250,000	275,000	300,000	300,000	300,000	300,000	325,000	3,400,000
Less: Collections	(43,000)	(110,400)	(116,820)	(253,388)	(253,388)	(285,041)	(290,396)	(243,448)	(235,348)	(288,674)	(276,837)	(280,919)	(283,980)	(3,137,270)
Less: Deductions (net)	(5,000)	(7,500)	(8,750)	(10,000)	(10,000)	(11,250)	(12,500)	(13,750)	(15,000)	(15,000)	(15,000)	(15,000)	(15,250)	(170,000)
<b>Ending A/R balance</b>	<b>552,000</b>	<b>584,100</b>	<b>633,530</b>	<b>633,471</b>	<b>570,083</b>	<b>498,781</b>	<b>486,896</b>	<b>504,698</b>	<b>537,349</b>	<b>563,674</b>	<b>565,919</b>	<b>567,959</b>	<b>567,730</b>	<b>492,730</b>

**Rienzi & Sons, Inc.**  
Projected Weekly Cash Flow  
For the Period - 3/04/15 to 6/15/15

[illegible]

## Schedule of Letters of Credit: (Schedule D)

<b>Bank:</b>					
Opening L/C's	0	0	0	0	0
Plus: New L/C's:	0	0	0	0	0
Less: Paid L/C's	0	0	0	0	0
Ending L/C Balance	0	0	0	0	0

**Rienzi & Sons, Inc.**  
Projected Supporting Schedules  
For the Period - 3/04/15 to 6/5/15

	W/E 03/06/15 Est.	W/E 03/13/15 Est.	W/E 03/20/15 Est.	W/E 03/27/15 Est.	W/E 04/03/15 Est.	W/E 04/10/15 Est.	W/E 04/17/15 Est.	W/E 04/24/15 Est.	W/E 05/01/15 Est.	W/E 05/08/15 Est.	W/E 05/15/15 Est.	W/E 05/22/15 Est.	W/E 05/29/15 Est.	W/E 06/05/15 Est.	Total Thru 06/05/15
<b>G&amp;A Expenses: (Schedule A)</b>															
Monthly Rent - 18-81 Steinway	0	0	0	0	0	38,739	0	0	0	38,739	0	0	0	38,739	116,217
Insurance-Health paid monthly	0	0	0	0	7,000	0	0	0	0	7,000	0	0	0	7,000	21,000
Insurance - general paid quarterly	0	0	0	0	46,500	0	0	0	0	0	0	0	0	0	46,500
Officers' life insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounting, Legal & Consulting fees	0	0	0	15,000	0	0	0	15,000	0	0	0	15,000	0	0	45,000
Office expenses	0	1,000	1,000	2,500	1,000	1,000	1,000	1,000	2,500	1,000	1,000	1,000	2,500	1,000	17,500
Postage	0	1,000	1,000	2,500	1,000	1,000	1,000	1,000	2,500	1,000	1,000	1,000	2,500	1,000	17,500
Telephone (office & mobile) & internet	0	0	0	2,150	0	0	0	0	2,150	0	0	0	2,150	0	6,450
Gas & electric	0	0	0	5,400	0	0	0	0	5,400	0	0	0	5,400	0	16,200
Travel and entertainment	0	1,000	1,000	2,500	1,000	1,000	1,000	1,000	2,500	1,000	1,000	1,000	2,500	1,000	17,500
Taxes (misc)	0	0	0	200	0	0	0	0	200	0	0	0	200	0	600
Misc. expenses	0	1,000	1,000	2,500	1,000	1,000	1,000	1,000	2,500	1,000	1,000	1,000	2,500	1,000	17,500
BMW & Buick lease payments	0	0	0	1,486	0	0	0	0	1,486	0	0	0	1,486	0	4,458
<b>Total G&amp;A Expenses</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>	<b>34,236</b>	<b>57,500</b>	<b>42,739</b>	<b>4,000</b>	<b>19,000</b>	<b>19,236</b>	<b>49,739</b>	<b>4,000</b>	<b>19,000</b>	<b>19,236</b>	<b>49,739</b>	<b>326,425</b>
<b>Selling &amp; Shipping Expenses: (Schedule B)</b>															
Commissions	0	0	0	3,000	0	0	0	0	3,000	0	0	0	3,000	0	9,000
Shipping material & expenses	0	1,200	1,400	1,600	1,600	1,800	2,000	2,200	2,400	2,400	2,400	2,400	2,400	2,600	26,400
Travel and promotion	0	1,000	1,000	2,500	1,000	1,000	1,000	1,000	2,500	1,000	1,000	1,000	2,500	1,000	17,500
Auto expense	0	1,000	1,000	2,500	1,000	1,000	1,000	1,000	2,500	1,000	1,000	1,000	2,500	1,000	17,500
Advertising- Benchmarking	0	0	0	0	5,000	0	0	0	5,000	0	0	0	5,000	0	15,000
Truck expenses and fuel	0	1,000	1,000	3,000	1,000	1,000	1,000	1,000	3,000	1,000	1,000	1,000	3,000	1,000	19,000
Trailer & truck lease payments	0	0	0	7,784	0	0	0	0	7,784	0	0	0	7,784	0	23,552
<b>Total Selling &amp; Shipping Expense</b>	<b>0</b>	<b>4,200</b>	<b>4,400</b>	<b>20,384</b>	<b>9,600</b>	<b>4,800</b>	<b>5,000</b>	<b>5,200</b>	<b>26,184</b>	<b>5,400</b>	<b>5,400</b>	<b>5,400</b>	<b>21,184</b>	<b>13,600</b>	<b>127,752</b>
<b>Warehouse Expenses: (Schedule C)</b>															
Warehouse and parking lot rent paid to Mathew Rienzi	0	0	0	0	0	11,200	0	0	0	11,200	0	0	0	11,200	33,600
Repair & Maintenance	0	800	800	800	800	800	800	800	800	800	800	800	800	800	10,400
Security	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rubbish removal	0	0	0	950	0	0	0	950	0	0	0	950	0	0	2,850
Supplies	0	800	800	800	800	800	800	800	800	800	800	800	800	800	10,400
Other whse. expense/Travel	0	800	800	800	800	800	800	800	800	800	800	800	800	800	10,400
Tractor & forklift lease payments	0	0	0	3,775	0	0	0	0	3,775	0	0	0	3,775	0	11,325
<b>Total Shipping Expenses</b>	<b>0</b>	<b>2,400</b>	<b>2,400</b>	<b>7,125</b>	<b>2,400</b>	<b>13,600</b>	<b>2,400</b>	<b>3,350</b>	<b>6,175</b>	<b>13,600</b>	<b>2,400</b>	<b>3,350</b>	<b>6,175</b>	<b>13,600</b>	<b>78,975</b>

